

5 **CLAIMS**

We claim:

1. / A computerized method for production management comprising:  
determining a reduced quantity of a requested product quantity in a customer  
10 order in reference to the inverse of the probability of profit of the product;  
and  
communicating the reduced quantity to a production management process.
2. The computerized method of claim 1, wherein the determining further comprises:  
15 iteratively determining a graceful reduction of the requested product quantity  
from a time shortfall, from the inverse profit probability, and from a  
reduced number of plurality of products, until the customer accepts the  
reduced quantity or until the time shortfall is non-existent.
- 20 3. The computerized method of claim 1, the method further comprising:  
determining that the requested product quantity can not be satisfied within a  
customer target time period.
4. A computerized method for production management comprising:  
25 / (a) determining that at least one request for a plurality of products exceeds a  
production capacity of a vendor, wherein the request for a plurality of  
products includes a quantity associated with each of the plurality of  
products from process and inventory operation data and from customer  
order data; and  
30 (b) determining a quantity of each of the plurality of products corresponding  
to a vendor maximum profit of the requests for a plurality of products,  
from a degradation of the quantity associated with at least one of the  
plurality of products.
- 35 5. The computerized method of claim 4, the method further comprising:

- 5 (c) communicating the quantity of each of the plurality of products  
corresponding to a maximum vendor profit of the requests for a plurality  
of products.

6. The computerized method of claim 4, wherein the determining (a) further  
10 comprises:
- (a)(1) obtaining process and inventory operation data, the data further  
comprising an inventory quantity for each of the plurality of products;
  - (a)(2) obtaining customer order data; the data further comprising an  
15 identification of each of the plurality of products, a requested quantity of  
each of the plurality of products, and an associated target time of each of  
the plurality of requested products;
  - (a)(3) determining an effective quantity for each of the plurality of products to be  
produced from the requested quantity of each of the plurality of products  
and from the inventory quantity for each of the plurality of products;
  - 20 (a)(4) determining an actual time to produce all of the plurality of products to be  
produced, from the effective quantity for each of the plurality of products  
to be produced; and
  - (a)(5) determining that at least one request for a plurality of products exceeds a  
25 production capacity of a vendor, from the effective quantity of the at least  
one of the plurality of products, from the requested quantity of the at least  
one of the plurality of products, and from the target time of the at least one  
of the plurality of products.

7. The computerized method of claim 6, wherein the obtaining (a)(1) action is  
30 performed after the obtaining (a)(2) action.

8. The computerized method of claim 6, wherein the determining (a)(5) further  
comprises:

5           (a)(5)(i)       determining that at least one request for a plurality of products  
exceeds a production capacity of a vendor beyond a predetermined  
margin.

9.       The computerized method of claim 6, wherein the determining (a)(5) further  
10 comprises:

          (a)(5)(i)       determining a batch objective value for producing and delivering  
each of the plurality of products, from the effective quantity of the  
at least one of the plurality of products, from the requested quantity  
of the at least one of the plurality of products;

15       (a)(5)(ii)      determining the total production time of the plurality of products  
from the batch objective value of each of the plurality of products;  
and

          (a)(5)(iii)    comparing the target time to the total production time of the  
plurality of products.

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10.      The computerized method of claim 6, wherein the predetermined margin further  
comprises a predetermined absolute quantity margin.

11.      The computerized method of claim 4, wherein determining (b) for each product in  
25 the order, further comprises:

          (b)(1)   determining a time shortfall in the production of each of the plurality of  
products from actual time to produce all of the plurality of products to be  
produced, and from the target time;

          (b)(2)   communicating to the customer each of the time shortfalls;

30       (b)(3)   receiving from the customer information representing reduction in the  
quantity associated with at least one of the plurality of products;

          (b)(4)   determining a profit probability from the profit of a production of one of  
the plurality of products in the customer order, and from the profit of all of  
the plurality of products in the customer order;

- 5 (b)(5) determining a graceful decrement from the time shortfall, from the profit probability, and from a decremented number of plurality of products;
- (b)(6) updating the objective value from the graceful decrement;
- (b)(7) determining the actual quantity to be produced for each of the plurality of products, from the graceful decrement, and from the unit time of
- 10 manufacture; and
- (b)(8) determining an actual time to produce all of the plurality of products to be produced, from the actual quantity to be produced for each of the plurality of products.

15 12. The computerized method of claim 11, wherein determining (b)(4), further comprises:

- (b)(4)(i) dividing the profit of a production of one of the plurality of products in the customer order into the profit of all of the plurality of products in the customer order, yielding a portion of total profit attributable to the
- 20 one product ; and
- (b)(4)(ii) determining a profit probability from the portion of total profit attributable to the one product subtracted from (b)(4)(i)

13. A computerized method for production management comprising:

- 25 (a) determining that at least one request for a plurality of products exceeds a production capacity of a vendor, wherein the request for a plurality of products includes a quantity associated with each of the plurality of products from process and inventory operation data
- (b) determining an inverse profit probability from the profit of a production of one of the plurality of products in the request, and from the profit of all of the plurality of products in the customer order;
- 30 (c) determining a graceful decrement from the time shortfall, from the inverse profit probability, and from a decremented number of plurality of products;
- 35 (d) updating the objective value from the graceful decrement;

- 5           (e)     determining the actual quantity to be produced for each of the plurality of products, from the graceful decrement ; and
- (f)     determining an actual time to produce all of the plurality of products to be produced, from the actual quantity to be produced for each of the plurality of products.

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14.     The computerized method of claim 13, wherein the determining (a) further comprises:

- (a)(1) determining that at least one request for a plurality of products exceeds a production capacity of a vendor beyond a predetermined margin, from the effective quantity of the at least one of the plurality of products, from the requested quantity of the at least one of the plurality of products, and from the target time of the at least one of the plurality of products.

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15.     The computerized method of claim 14, wherein the determining (a)(1) further comprises:

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- (a)(1)(i)     determining a batch objective value for producing and delivering each of the plurality of products, from the effective quantity of the at least one of the plurality of products, from the requested quantity of the at least one of the plurality of products;
- (a)(1)(ii)     determining the total production time of the plurality of products from the batch objective value of each of the plurality of products; and
- (a)(1)(iii)     comparing the target time to the total production time of the plurality of products.

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16.     The computerized method of claim 14, wherein the determining (a)(1) further comprises:

- (a)(1)(i)     obtaining process and inventory operation data, the data further comprising an inventory quantity for each of the plurality of products;

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- 5     20.     The computer-readable medium of claim 19, wherein the determining further comprises:

iteratively determining a graceful reduction of the requested product quantity  
from a time shortfall, from the inverse profit probability, and from a  
reduced number of plurality of products, until the customer accepts the  
10     reduced quantity or until the time shortfall is non-existent.

21.     The computer-readable medium of claim 19, the method further comprising:  
determining that the requested product quantity can not be satisfied within a  
customer target time period.

- 15     22.     A computer-readable medium having computer-executable instructions to cause a  
computer to perform a method for production management comprising:

- (a)     determining that at least one request for a plurality of products exceeds a  
production capacity of a vendor, wherein the request for a plurality of  
products includes a quantity associated with each of the plurality of  
20     products from process and inventory operation data and from customer  
order data; and
- (b)     determining a quantity of each of the plurality of products corresponding  
to a vendor maximum profit of the requests for a plurality of products,  
25     from a degradation of the quantity associated with at least one of the  
plurality of products.

23.     The computer-readable medium of claim 22, the method further comprising:

- (c)     communicating the quantity of each of the plurality of products  
30     corresponding to a maximum vendor profit of the requests for a plurality  
of products.

24.     The computer-readable medium of claim 22, wherein the determining (a) further  
comprises:

- 5 (a)(1) obtaining process and inventory operation data, the data further  
comprising an inventory quantity for each of the plurality of products;
- (a)(2) obtaining customer order data; the data further comprising an  
identification of each of the plurality of products, a requested quantity of  
each of the plurality of products, and an associated target time of each of  
10 the plurality of requested products;
- (a)(3) determining an effective quantity for each of the plurality of products to be  
produced from the requested quantity of each of the plurality of products  
and from the inventory quantity for each of the plurality of products;
- (a)(4) determining an actual time to produce all of the plurality of products to be  
15 produced, from the effective quantity for each of the plurality of products  
to be produced; and
- (a)(5) determining that at least one request for a plurality of products exceeds a  
production capacity of a vendor, from the effective quantity of the at least  
one of the plurality of products, from the requested quantity of the at least  
20 one of the plurality of products, and from the target time of the at least one  
of the plurality of products.

25 25. The computer-readable medium of claim 24, wherein the obtaining (a)(1) action is  
performed after the obtaining (a)(2) action.

26. The computer-readable medium of claim 24, wherein the determining (a)(5)  
further comprises:

- 30 (a)(5)(i) determining that at least one request for a plurality of products  
exceeds a production capacity of a vendor beyond a predetermined  
margin.

27. The computer-readable medium of claim 24, wherein the determining (a)(5)  
further comprises:

- 35 (a)(5)(i) determining a batch objective value for producing and delivering  
each of the plurality of products, from the effective quantity of the



- 5 at least one of the plurality of products, from the requested quantity  
of the at least one of the plurality of products;
- (a)(5)(ii) determining the total production time of the plurality of products  
from the batch objective value of each of the plurality of products;  
and
- 10 (a)(5)(iii) comparing the target time to the total actual production time of the  
plurality of products.

28. The computer-readable medium of claim 24, wherein the predetermined margin  
further comprises a predetermined absolute quantity margin.

- 15 29. The computer-readable medium of claim 22, wherein determining (b) for each  
product in the order, further comprises:
- (b)(1) determining a time shortfall in the production of each of the plurality of  
products from actual time to produce all of the plurality of products to be  
20 produced, and from the target time;
- (b)(2) communicating to the customer each of the time shortfalls;
- (b)(3) receiving from the customer information representing reduction in the  
quantity associated with at least one of the plurality of products;
- (b)(4) determining a profit probability from the profit of a production of one of  
25 the plurality of products in the customer order, and from the profit of all of  
the plurality of products in the customer order;
- (b)(5) determining a graceful decrement from the time shortfall, from the profit  
probability, and from a decremented number of plurality of products;
- (b)(6) updating the objective value from the graceful decrement;
- 30 (b)(7) determining the actual quantity to be produced for each of the plurality of  
products, from the graceful decrement; and
- (b)(8) determining an actual time to produce all of the plurality of products to be  
produced, from the actual quantity to be produced for each of the plurality  
of products.
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5 30. The computer-readable medium of claim 29, wherein determining (b)(4), further comprises:

(b)(4)(i) dividing the profit of a production of one of the plurality of products in the customer order into the profit of all of the plurality of products in the customer order, yielding a portion of total profit attributable to that one product ; and

(b)(4)(ii) determining a profit probability from the portion of total profit attributable to the one product subtracted from (b)(4)(i)

10 31. / A computer-readable medium having computer-executable instructions to cause a computer to perform a method for production management comprising:

(a) determining that at least one request for a plurality of products exceeds a production capacity of a vendor, wherein the request for a plurality of products includes a quantity associated with each of the plurality of products from process and inventory operation data

20 (b) determining a profit probability from the profit of a production of one of the plurality of products in the request, and from the profit of all of the plurality of products in the customer order;

(c) determining a graceful decrement from the time shortfall, from the profit probability, and from a decremented number of plurality of products;

25 (d) updating the objective value from the graceful decrement;

(e) determining the actual quantity to be produced for each of the plurality of products, from the graceful decrement; and

(f) determining an actual time to produce all of the plurality of products to be produced, from the actual quantity to be produced for each of the plurality of products.

30 32. The computer-readable medium of claim 31, wherein the determining (a) further comprises:

35 (a)(1) determining that at least one request for a plurality of products exceeds a production capacity of a vendor beyond a predetermined margin, from the

5                   effective quantity of the at least one of the plurality of products, from the  
requested quantity of the at least one of the plurality of products, and from  
the target time of the at least one of the plurality of products.

33.     The computer-readable medium of claim 32, wherein the determining (a)(1)

10    further comprises:

(a)(1)(i)       determining a batch objective value for producing and delivering  
each of the plurality of products, from the effective quantity of the  
at least one of the plurality of products, from the requested quantity  
of the at least one of the plurality of products;

15    (a)(1)(ii)     determining the total production time of the plurality of products  
from the batch objective value of each of the plurality of products;  
and

(a)(1)(iii)     comparing the target time to the total production time of the  
plurality of products.

20    34.     The computer-readable medium of claim 32, wherein the determining (a)(1)  
further comprises:

(a)(1)(i)       obtaining process and inventory operation data, the data further  
comprising an inventory quantity for each of the plurality of products;

25    (a)(1)(ii)     obtaining customer order data; the data further comprising an  
identification of each of the plurality of products, a requested quantity  
of each of the plurality of products, and an associated target time of  
each of the plurality of requested products;

30    (a)(1)(iii)    determining an effective quantity for each of the plurality of products  
to be produced from the requested quantity of each of the plurality of  
products and from the inventory quantity for each of the plurality of  
products; and

35    (a)(1)(iv)     determining an actual time to produce all of the plurality of products  
to be produced, from the effective quantity for each of the plurality of  
products to be produced.

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35. The computer-readable medium of claim 32, wherein the predetermined margin further comprises an absolute quantity margin.

10 comprises:

- (g) determining a time shortfall in the production of each of the plurality of products from actual time to produce all of the plurality of products to be produced, and from the target time;
- (h) communicating to the customer each of the time shortfalls; and
- 15 (i) receiving from the customer information representing a reduction in the quantity associated with at least one of the plurality of products.

20 method of:

- (a) determining that at least one request for a plurality of products exceeds a production capacity of a vendor, wherein the request for a plurality of products includes a quantity associated with each of the plurality of products from process and inventory operation data;
- 25 (b) determining an inverse profit probability from the profit of a production of one of the plurality of products in the request, and from the profit of all of the plurality of products in the customer order;
- (c) determining a graceful decrement from the time shortfall, from the inverse profit probability, and from a decremented number of plurality of
- 30 products;
- (d) updating the objective value from the graceful decrement;
- (e) determining the actual quantity to be produced for each of the plurality of products, from the graceful decrement, and from the unit time of manufacture; and

- 5 (f) determining an actual time to produce all of the plurality of products to be produced, from the actual quantity to be produced for each of the plurality of products.

38. The computer data signal of claim 37, wherein the determining (a) further  
10 comprises:

- (a)(1) determining that at least one request for a plurality of products exceeds a production capacity of a vendor beyond a predetermined margin, from the effective quantity of the at least one of the plurality of products, from the requested quantity of the at least one of the plurality of products, and from  
15 the target time of the at least one of the plurality of products.

39. / A computer-readable medium having stored thereon an data structure representing a reduced quantity of a requested product quantity produced by a method comprising:  
determining that the quantity of the requested product can not be satisfied by a  
20 vendor within a customer target time period; and  
iteratively determining a graceful reduction of the requested product quantity from a time shortfall, from the inverse profit probability, and from a reduced number of plurality of products, until the customer accepts the reduced quantity or until the time shortfall is non-existent.

25 40. The computer-readable medium of claim 39, produced by the method further comprising:  
communicating the reduced quantity to a vendor production process.

30 41. The computer-readable medium of claim 39, wherein the determining further comprises:  
determining that at least one request for a plurality of products exceeds a production capacity of the vendor beyond a predetermined margin.

5     42.     The computer-readable medium of claim 39, wherein the determining further comprises:

             determining a time shortfall in the production of each of the plurality of products  
                         from actual time to produce all of the plurality of products to be produced,  
                         and from the target time;

10     communicating to the customer each of the time shortfalls;

             receiving from the customer information representing reduction in the quantity  
                         associated with at least one of the plurality of products;

             determining a profit probability from the profit of a production of one of the  
                         plurality of products in the customer order, and from the profit of all of the  
15     plurality of products in the customer order;

             determining a graceful decrement from the time shortfall, from the profit  
                         probability, and from a decremented number of plurality of products;

             updating the objective value from the graceful decrement;

             determining the actual quantity to be produced for each of the plurality of  
20     products, from the graceful decrement, and from the unit time of  
                         manufacture; and

             determining an actual time to produce all of the plurality of products to be  
                         produced, from the actual quantity to be produced for each of the plurality  
                         of products.

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43.     A computer-readable medium having stored thereon an data structure representing  
a reduced quantity of a requested product quantity produced by a method comprising:

(a)     determining that at least one request for a plurality of products exceeds a  
             production capacity of a vendor, wherein the request for a plurality of  
30     products includes a quantity associated with each of the plurality of  
             products from process and inventory operation data

(b)     determining a profit probability from the profit of a production of one of  
             the plurality of products in the request, and from the profit of all of the  
             plurality of products in the customer order;

- 5           (c)     determining a reduced quantity from the time shortfall, from the profit probability, and from a decremented number of plurality of products;
- (d)     updating the objective value from the reduced quantity;
- (e)     determining the actual quantity to be produced for each of the plurality of products, from the reduced quantity, and from the unit time of
- 10           manufacture; and
- (f)     determining an actual time to produce all of the plurality of products to be produced, from the actual quantity to be produced for each of the plurality of products.

15   44.     The computer-readable medium of claim 43, wherein the determining (a) further comprises:

- (a)(1) determining that at least one request for a plurality of products exceeds a production capacity of a vendor beyond a predetermined margin, from the effective quantity of the at least one of the plurality of products, from the
- 20           requested quantity of the at least one of the plurality of products, and from the target time of the at least one of the plurality of products.

45.     The computer-readable medium of claim 43, wherein the method further comprises:

- 25           (g)     determining a time shortfall in the production of each of the plurality of products from actual time to produce all of the plurality of products to be produced, and from the target time;
- (h)     communicating to the customer each of the time shortfalls; and
- (i)     receiving from the customer information representing reduction in the
- 30           quantity associated with at least one of the plurality of products.

46. ✓ A system for transacting in electronic commerce comprising:  
a processor; and

5 software means operative on the processor for degrading the quantity of an order  
of a plurality of products using an inverse probability of profit function in  
reference to profits from each of the products in the order.

47. / A computerized apparatus for production management comprising:

10 a demand analyzer, that determines if a vendor can satisfy a quantity of customer  
demand for a product, from a database of process and inventory operation  
data and from a database of customer order data; and  
a graceful quantity degrader, operably coupled to the demand analyzer, that yields  
a degraded quantity from the quantity of customer demand using an  
15 inverse probability of profit function.

48. The computerized apparatus of claim 47, wherein the graceful quantity degrader  
yields the degraded quantity for each of the products that the customer indicated a  
reduced quantity thereof, from a time shortfall, the inverse probability of profit, and from  
20 a decremented number of plurality of products of the customer order.

49. / A computerized apparatus for production management comprising:

an excess quantity determiner, that determines that one or more customer requests  
for a plurality of products, exceed a production capacity of the vendor  
25 within a prescribed time period; and  
a reduced quantity determiner, operably coupled to the excess quantity  
determiner, that yields a reduced quantity, from an inverse probability of  
profit of the reduced quantity.

30 50. The computerized apparatus of claim 49, wherein the excess quantity determiner  
further comprises:

a determiner of batch objective values, from an effective quantity of at least one  
product identified in the request, and from the corresponding production  
speed of each of a plurality of product batches in the request;



5 a determiner of actual total production time of the at least one products in the  
request, from the sum of the batch objective values; and  
a determiner of a production time shortfall, from the actual total production time,  
and a target production time, wherein the production shortfall indicates an  
excess quantity.

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51. The computerized apparatus of claim 49, wherein the reduced quantity determiner  
further comprises:

an inverse profit probability determiner, wherein the inverse profit probability is  
determined from a projected profit of a product in a customer order, and  
from the profit of the entire customer order;

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a gracefully-decremented quantity determiner, operably coupled to the inverse  
profit probability determiner, wherein the gracefully-decremented quantity  
is determined for each of the products that the customer indicated a  
reduced quantity, and determined from a time shortfall, the inverse profit  
probability, and from a decremented number of plurality of products;

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an objective-value determiner, operably coupled to the gracefully-decremented  
quantity determiner, wherein the objective-value is determined for each  
product in the customer order from the gracefully-decremented quantity,  
and from the previous objective value;

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an actual-quantity determiner, operably coupled to the objective-value determiner,  
wherein the actual-quantity is determined from the objective-value, a  
production speed of the product, and from the inventory quantity of the  
product; and

a total-production-time determiner, operably coupled to the actual-quantity  
determiner, wherein the total-production-time is determined as the sum of  
objective value of each product.

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52. A computerized apparatus for production management comprising:

5 an excess quantity determiner, that determines that one or more customer requests  
for a plurality of products exceed a production capacity of the vendor  
within a prescribed time period;

a reduced quantity determiner, operably coupled to the excess quantity  
determiner, that yields a reduced quantity, from an inverse probability of  
10 profit of the reduced quantity, wherein the reduced quantity determiner  
further comprises:

a gracefully-decremented quantity determiner, yielding a reduced  
quantity, operably coupled to the inverse profit probability  
determiner, wherein the gracefully-decremented quantity is  
15 determined for each of the products that the customer  
indicated a reduced quantity, and determined from a time  
shortfall, the inverse probability of profit, and from a  
decremented number of plurality of products.

20 53. The computerized apparatus of claim 52, wherein the inverse profit probability is  
determined from a projected profit of a product in the customer request, and from the  
profit of the entire customer request.

54. ✓ A computer-readable medium comprising:  
25 a demand analyzer, that determines if a vendor can satisfy a quantity of customer  
demand for a product, from a database of process and inventory operation  
data and from a database of customer order data; and  
a graceful quantity degrader, operably coupled to the demand analyzer, that yields  
a degraded quantity from the quantity of customer demand using an  
30 inverse probability of profit function

55. The computer-readable medium of claim 54, wherein the graceful quantity  
degrader yields the degraded quantity for each of the products that the customer indicated  
a reduced quantity thereof, from a time shortfall, the inverse probability of profit, and  
35 from a decremented number of plurality of products of the customer order.

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56. / A computer-readable medium comprising:
- an excess quantity determiner, that determines that one or more customer requests for a plurality of products, exceed a production capacity of the vendor within a prescribed time period; and
  - 10 a reduced quantity determiner, operably coupled to the excess quantity determiner, that yields a reduced quantity, from an inverse probability of profit of the reduced quantity.

57. The computer-readable medium of claim 56, wherein the excess quantity  
15 determiner further comprises:

- a determiner of batch objective values, from an effective quantity of at least one product identified in the request, and from the corresponding production speed of each of a plurality of product batches in the request;
- a determiner of actual total production time of the at least one products in the  
20 request, from the sum of the batch objective values; and
- a determiner of a production time shortfall, from the actual total production time, and a target production time, wherein the production shortfall indicates an excess quantity.

- 25 58. The computer-readable medium of claim 56, wherein the reduced quantity determiner further comprises:

- an inverse profit probability determiner, wherein the inverse profit probability is determined from a projected profit of a product in a customer order, and from the profit of the entire customer order;
- 30 a gracefully-decremented quantity determiner, operably coupled to the inverse profit probability determiner, wherein the gracefully-decremented quantity is determined for each of the products that the customer indicated a reduced quantity, and determined from a time shortfall, the inverse profit probability, and from a decremented number of plurality of products;

5 an objective-value determiner, operably coupled to the gracefully-decremented  
quantity determiner, wherein the objective-value is determined for each  
product in the customer order from the gracefully-decremented quantity,  
and from the previous objective value;  
an actual-quantity determiner, operably coupled to the objective-value determiner,  
10 wherein the actual-quantity is determined from the objective-value, a  
production speed of the product, and from the inventory quantity of the  
product; and  
a total-production-time determiner, operably coupled to the actual-quantity  
determiner, wherein the total-production-time is determined as the sum of  
15 objective value of each product.

59. ✓ A computer-readable medium comprising:

an excess quantity determiner, that determines that one or more customer requests  
for a plurality of products exceed a production capacity of the vendor  
20 within a prescribed time period;

a reduced quantity determiner, operably coupled to the excess quantity  
determiner, that yields a reduced quantity, from an inverse probability of  
profit of the reduced quantity, wherein the reduced quantity determiner  
further comprises:

25 a gracefully-decremented quantity determiner, yielding a reduced  
quantity, operably coupled to the inverse profit probability  
determiner, wherein the gracefully-decremented quantity is  
determined for each of the products that the customer  
indicated a reduced quantity, and determined from a time  
30 shortfall, the inverse probability of profit, and from a  
decremented number of plurality of products.

60. The computer-readable medium of claim 59, wherein the inverse profit  
probability is determined from a projected profit of a product in the customer request, and  
35 from the profit of the entire customer request.